

**DEPARTMENT OF INSURANCE****Legal Division, Corporate Affairs Bureau**

45 Fremont Street, 24th Floor  
San Francisco, CA 94105



## NOTICE

**Date:** June 16, 2017

**To:** All Licensees and Other Interested Persons

**Subject:** Repeal of Bond of Nonresident Surplus Line Broker

The Department of Justice at the request of the California Department of Insurance has adopted section 50.22 to Title 11 of the Code of Regulations Article 19 promulgating a repeal of the bond of nonresident surplus line broker effective upon filing with the California Secretary of State on May 16, 2017. This bond form is no longer available for use.

A copy of the Notice of Filing and Printing Only, Notice of Publication of Regulations Submission Form 400 and bond form are with this notice, posted on the Department of Insurance Website.

If you have any question regarding this bond form, please contact Jill Jacobi at (415) 538-4426 or at [Jill.Jacobi@insurance.ca.gov](mailto:Jill.Jacobi@insurance.ca.gov).

**State of California  
Office of Administrative Law**

In re:  
Department of Justice

Regulatory Action:

Title 11, California Code of Regulations

Adopt sections:

Amend sections:

Repeal sections: 50.22

NOTICE OF FILING AND PRINTING ONLY

Government Code Section 11343.8

OAL Matter Number: 2017-0424-18

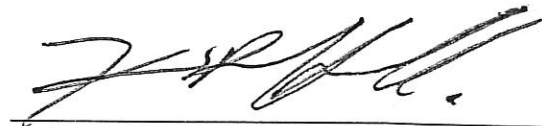
OAL Matter Type: File and Print Only (FP)

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This action submitted by the Department of Justice is a request to file and print the repeal of the surety bond form of the Department of Insurance, "Bond of Nonresident Surplus Line Broker" pursuant to Government Code section 11343.8.

OAL filed this regulation(s) or order(s) of repeal with the Secretary of State, and will publish the regulation(s) or order(s) of repeal in the California Code of Regulations.

Xavier Becerra



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Kevin D. Hull  
Senior Attorney

For: Debra M. Cornez  
Director

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER
	Z-	2017-0424-18FP	

For use by Office of Administrative Law (OAL) only

2017 APR 24 P 3:03

OFFICE OF  
ADMINISTRATIVE LAW

NOTICE

REGULATIONS

AGENCY WITH RULEMAKING AUTHORITY

Department of Justice, for the Department of Insurance

AGENCY FILE NUMBER (if any)

ENDORSED - FILED

in the office of the Secretary of State  
of the State of California

MAY 16 2017

1:40 pm

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE		TITLE(S)		FIRST SECTION AFFECTED		2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER		FAX NUMBER (Optional)	
OAL USE ONLY		ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER		PUBLICATION DATE	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Department of Insurance bond form	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
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2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)

SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT
	AMEND
	REPEAL
TITLE(S) 11, Div. 1, Chapter 2	Article 19, section 50.22 Bond of Nonresident Surplus Line Broker

3. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346)	<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.	<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
<input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)	<input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	<input checked="" type="checkbox"/> File & Print	<input type="checkbox"/> Print Only
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input checked="" type="checkbox"/> Other (Specify) Repeal of surety bond form	

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)

<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))	<input checked="" type="checkbox"/> Effective on filing with Secretary of State	<input type="checkbox"/> \$100 Changes Without Regulatory Effect	<input type="checkbox"/> Effective other (Specify)
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6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
<input type="checkbox"/> Other (Specify)		

7. CONTACT PERSON

Karen W. Yiu

TELEPHONE NUMBER

(510) 879-1245

FAX NUMBER (Optional)

E-MAIL ADDRESS (Optional)

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

DATE

*Karen W. Yiu*  
TYPED NAME AND TITLE OF SIGNATORY  
Karen W. Yiu, Deputy Attorney General

April 20, 2017

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

MAY 16 2017

Office of Administrative Law

REPEAL

BOND OF NONRESIDENT SURPLUS LINE BROKER

TO THE PEOPLE OF THE STATE OF CALIFORNIA

(Insurance Code Sections 137 and 1765)

BOND No. \_\_\_\_\_

Premium \$ \_\_\_\_\_

KNOW ALL PERSONS BY THESE PRESENTS:

That we

\_\_\_\_\_,  
(full name of applicant/holder, all partners, or of corporation)  
doing business as \_\_\_\_\_,  
an applicant for or holder of a nonresident California surplus line  
broker's license limited to the placement of insurance with  
nonadmitted carriers on behalf of purchasing groups, pursuant to  
the Federal Liability Risk Retention Act of 1986, whose address for  
service is \_\_\_\_\_, as PRINCIPAL, and  
\_\_\_\_\_, a  
corporation organized under the laws of \_\_\_\_\_,  
whose address for service is \_\_\_\_\_,  
and authorized to transact a general surety business in the State  
of California, as SURETY, are held and firmly bound to the People  
of the State of California in the penal sum of FIFTY THOUSAND  
DOLLARS (\$50,000), for which payment we bind ourselves, our heirs,  
executors, administrators, successors and assigns jointly and  
severally, firmly by these presents.

WHEREAS, the provisions of Section 1765(c) of the  
Insurance Code require that the Principal file a bond with the  
Department of Insurance in the sum of \$50,000 as a part of the  
application for a surplus line broker's license and as a condition  
of the issuance of that license, and this bond is executed and  
tendered in accordance therewith.

NOW THEREFORE, the conditions of the foregoing obligation  
are that if the Principal fully and faithfully complies with the  
provisions of Chapter 1.5 (commencing with section 125) of Part 1  
of Division 1 and Chapter 6 (commencing with section 1760) of Part  
2 of Division 1 of the Insurance Code and all applicable provisions  
of the Insurance Code, then this obligation shall be null and void;  
otherwise it is to remain in full force and effect.

PROVIDED HOWEVER, this bond is issued subject to the following express conditions:

### REPEAL

1. This bond is executed by the Surety to comply with the provisions of Chapter 1.5 (commencing with section 125) of Part 1 of Division 1 and Chapter 6 (commencing with section 1760) of Part 2 of Division 1 of the Insurance Code, and of Chapter 2 (commencing with section 995.010) of Title 14 of Part 2 of the Code of Civil Procedure and said bond shall be subject to all the terms and provisions thereof.

2. The aggregate liability of the Surety hereunder on all claims whatsoever shall not exceed the penal sum of this bond in any event.

3. This bond shall take effect on \_\_\_\_\_ 19\_\_\_\_, but not prior to the date of execution of this bond. If no date is hereinabove written, the bond shall take effect on the later of the two dates of execution set forth below.

4. This bond shall remain in full force and effect until the Surety is released from further liability by the Insurance Commissioner or until the bond is cancelled by the Surety. The Surety may cancel the bond and be released of further liability hereunder by delivering 30 days notice of cancellation to the officer to whom the bond was given and at the same time, to the Principal. Cancellation of the bond is effective thirty days after notice of cancellation is given by the Surety and liability hereunder shall cease except as to any liability or indebtedness incurred or accrued hereunder prior to the expiration of the thirty day notice period.

IN WITNESS WHEREOF the Principal has subscribed his (its) true name on the date and at the place entered opposite his (its) signature, and the Surety has subscribed its full and correct name and affixed its corporate seal on the date and at the place in this State shown opposite its signature.

Executed in \_\_\_\_\_ On \_\_\_\_\_  
(city, state) (date)

PRINCIPAL

(Name)

(Title of Officer)

[corporate seal]

I certify (or declare) under penalty of perjury, under the laws of the State of California that I have executed the foregoing bond under an unrevoked power of attorney.

Executed in \_\_\_\_\_  
(Place in California where executed)

on \_\_\_\_\_  
(date)

(Signature of Attorney-in-fact)

(Printed or Typed Name of Attorney-in-fact)

[corporate seal]